DISTRICT COURT OF THE VIRGIN ISLANDS Clerk's Office

Wilfredo F. Morales Clerk of Court Reply to:

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MEMORANDUM

TO: V. I. Bar Members

General Public

FROM: Wilfredo F. Morales, Clerk

Date: March 28, 2006

Re: Filing Fee Changes effective April 9, 2006

Notice is hereby provided that the Deficit Reduction Act of 2005 (Pub.L. 109-171) was enacted on February 8, 2006 and includes several changes to the filing fees, which will take effect for all new cases filed 60 days from enactment of the bill. Thus, the increases will apply to all new cases filed on or after Sunday, April 9, 2006. The fees applicable to the District Court of the Virgin Islands will only affect cases in appeals to the Circuit Court of Appeals and Bankruptcy Court. Fees applicable to the District Court do not apply to the District Court of the Virgin Islands as these fees are set by local legislation.

The fee increases are as follows:

Court of Appeals: filing fee - increased from \$250 to \$450

Bankruptcy Court: filing fees¹

It appears that Congress intended to increase chapter 11 filing fees as well, from \$1,000 to \$2,750, which would raise the total fees due at filing to \$2,789. However, there is a drafting error in the bill which incorrectly references the statutory subsection prescribing the chapter 9 fee, rather that the chapter 11 fee. Thus, the chapter 11 fee, at this time, is unaltered. Subsequent notice will be issued if this changes.

- chapter 7: increased from \$220 to \$245, total fees due at filing \$299²
- chapter 13: increased from \$150 to \$235, total fees due at filing \$274

Although not mentioned in the Act, the fee to convert a chapter 7 or chapter 13 case to a chapter 11 case, as prescribed by 28 U.S.C. § 1930 (a), must be recalculated based upon the increase in chapter 7 and 13 filing fees.³

Please visit our website at <u>www.vid.uscourts.gov</u> for updates to these changes as they are received.

The bankruptcy fee increases affect only the statutory chapter filing fees; all other fees collected at filing, such as the \$39 miscellaneous fee in all chapters and the \$15 trustee fee in chapter 7 cases, remain unchanged.

[&]quot;For converting, on request of the debtor, a case under chapter 7, or 13 of title 11, to a case under chapter 11 of title 11, the debtor shall pay to the clerk of the ... court ... a fee of the amount equal to the difference between the fee specified in paragraph (3) and the fee specified in paragraph ..." (a)(1)(A) and (a)(1)(B). 28 U.S.C. § 1930(a)